

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Administrative Services Division
Management Services Branch

Resolution No. M-4826
December 18, 2014

RESOLUTION

**RESOLUTION M-4826. ADOPTING LEVEL OF PUBLIC UTILITIES
COMMISSION TRANSPORTATION REIMBURSEMENT ACCOUNT
FEES FOR FISCAL YEAR 2014-15.**

SUMMARY

Public Utilities Code Section 421 provides:

“ The commission shall annually determine a fee to be paid by every passenger stage corporation, charter-party carrier of passengers, pipeline corporation, for-hire vessel operator, common carrier vessel operator, railroad corporation, and commercial air operator and every other common carrier and related business subject to the jurisdiction of the commission, except as otherwise provided in Article 3 (commencing with Section 431) of this chapter and Chapter 6 (commencing with Section 5001) of Division 2.”

The Commission finds that for fiscal year 2014-15, the Public Utilities Commission Transportation Reimbursement Account fees should be fixed as follows:

<u>CLASS</u>	<u>FEE</u>
Passenger Vehicle Operators	Except as noted below, 1/4 of 1% of gross revenue plus \$10.00 quarterly fee or \$25.00 annual fee The fee on gross revenue derived from transportation provided in a vehicle that seats not more than 15 passengers shall be 1/3 of 1%
Vessel Operators:	
Common Carrier Vessel Operator	1/2 of 1% of gross revenue plus minimum \$10.00 quarterly fee \$25.00 annual fee
For-Hire Vessel Operator	\$25 each
Railroad Corporations:	
Class I:	
Burlington Northern Santa Fe	\$2,072,844.00
Union Pacific	\$5,077,395.00

Class II and III (shortline)	0.27% of gross revenue, minimum of \$500 each
Commercial Air Operators	\$25 each
Pipeline Corporations	3/100 of 1% of gross revenue

BACKGROUND

Public Utilities Code Section 421 provides the legal basis for the establishment and annual determination of “user fees” which are the funding source in the annual Governor’s Budget for critical CPUC activities regulating varied transportation “common carriers”, including railroad and pipeline corporations, charter party carriers, tour buses, limousines, and ferries. These common carriers are privately-owned entities subject to CPUC regulation for safety and licensing compliance. The Commission issues an annual resolution to set these fees for its regulation activities.

DISCUSSION

The fee levels set by this resolution for passenger vehicle operators, vessel operators and pipeline corporations are unchanged from the fee levels set for fiscal year 2013-14. The total fee level of \$7,448,166 set for the railroad corporations reflect a \$1,552,166 increase from the \$5,896,000 level set for fiscal year 2013-14. This increase is primarily the result of an approved Budget Change Proposal which added eight positions to the railroad branch) and aggregate impact of various employee compensation and cost allocation adjustments. The estimated fund reserve as of June 30, 2015 is \$14,127,000. Please see Appendix A for Fund Condition Statement.

COMMENTS ON DRAFT RESOLUTION

In accordance with Public Utilities Code Section 311(g), CPUC published this draft resolution and solicited public comment on Dec. 8, 2014

THEREFORE, IT IS ORDERED THAT:

For the fiscal year 2014-15 the fees provided for in Section 421 of the Public Utilities Code are hereby fixed at the following levels:

<u>CLASS</u>	<u>FEE</u>
Passenger Vehicle Operators	1/4 of 1% of gross revenue plus minimum \$10.00 quarterly fee/ \$25.00 annual fee The fee on gross revenue derived

from transportation provided in
a vehicle that seats not more
than 15 passengers shall be
1/3 of 1%

Vessel Operators:

Common Carrier Vessel Operator

1/2 of 1% of gross revenue plus
minimum \$10.00 quarterly fee/
\$25.00 annual fee

For-Hire Vessel Operator

\$25 each

Railroad Corporations:

Class I:

Burlington Northern Santa Fe

\$2,072,844.00

Union Pacific

\$5,077,395.00

Class II and III (shortline)

0.27% of gross revenue,
minimum of \$500 each

Commercial Air Operators

\$25 each

Pipeline Corporations

3/100 of 1% of gross revenue

For the sole purpose of providing a more economical, simple and efficient method of collecting and accounting for fees required to be charged and collected under the Public Utilities Commission Transportation Reimbursement Account, passenger vehicle and vessel operators who engage the services of sub carriers as prime carriers are responsible for the payment of the fees on the gross earnings of sub carriers. Such services of sub carriers by these prime carriers shall be evidenced by a written document.

For the fiscal year 2014-15, the penalty provided for in Section 405 of the Public Utilities Code for default of the payment of the fee provided for in Section 421 of the Public Utilities Code shall remain fixed at 25% of the amount of the fee.

I hereby certify that the Public Utilities Commission adopted this Resolution at the meeting on December 18, 2014. The following Commissioners approved it:

PAUL CLANON
Executive Director

APPENDIX A

0461 Public Utilities Commission Transportation Reimbursement Account

Fund Condition Statement (*Dollars in Thousands)

	FY 2013-14*	FY 2014-15*
BEGINNING BALANCE	\$ 9,304	\$ 10,284
Prior year adjustments	(2,535)	
Adjusted Beginning Balance	\$ 6,769	\$ 10,284
REVENUES, TRANSFERS, AND OTHER ADJUSTMENTS		
Revenues:		
120600 Quarterly PUC Fees	12,049	13,541
120700 Penalties on PUC Quarterly Fees	1	1
125700 Other Regulatory Licenses and Permits	3,318	3,318
150300 Income From Surplus Money Investments	1	1
Transfers and Other Adjustments:		
Total Revenues, Transfers, and Other Adjustments	\$ 15,369	\$ 16,861
Total Resources	\$ 22,138	\$ 27,145
EXPENDITURES AND EXPENDITURE ADJUSTMENTS		
Expenditures:		
8660 Public Utilities Commission		
State Operations	11,802	13,009
8880 Financial Information System for CA (State Operations)	52	9
Total Expenditures and Expenditure Adjustments	\$ 11,854	\$ 13,018
FUND BALANCE	\$ 10,284	\$ 14,127